

===== Forwarded message =====
From: Patrick Johnson <pjohnson@neighborshealth.com>
To: "Jermaine" <jb@unyglobe.com>
Date: Mon, 24 Oct 2016 04:37:07 -0700
Subject: RE: El Paso Infinity financials
===== Forwarded message =====

Please see attached Q3 results



Patrick Johnson, MBA
Director of Finance

address 10800 Richmond Ave. Houston, TX 77042
office 713.436.5200 | fax 713.436.5210
cell 713.855.5272 | NEC24.COM

From: Jermaine [mailto:jb@unyglobe.com]
Sent: Sunday, October 23, 2016 8:00 PM
To: Patrick Johnson <pjohnson@neighborshealth.com>
Subject: Re: El Paso Infinity financials

Thank you.

No one in my group received any communication from Mike Chang. Can you please forward it to me?

Jermaine

----- Original message -----

From: Patrick Johnson <pjohnson@neighborshealth.com>
Date: 10/23/16 5:13 PM (GMT-08:00)
To: Jermaine <jb@unyglobe.com>
Subject: Re: El Paso Infinity financials



I will forward you tomorrow.

The Neighbors Health chairman of the board, Mike Chang forwarded a communication to the investors.

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On Sun, Oct 23, 2016 at 5:12 PM -0500, "Jermaine" <jb@unyglobe.com> wrote:

Hello Patrick,

Would you send me all the financials report for the El Paso sites? I would like to see the year to date and month by month Jan - Sept.

Also, when we last spoke, you mentioned that Setul was going to send an email out to the investors regarding the revenue payout error. Any word on when that email is coming?

Thanks,

Jermaine



Infinity Emergency Management Group LLC Financial Statements

Quarter 3 2016

Balance Sheet / Income Statement / Cash Flow

Combined Balance Sheet

As of September 30, 2016

	EEC	ZEC	TOTAL
ASSETS			
Current Assets			
Checking/Savings			
10200 · BBVA Compass, Expense -4818	118,379.94	0.00	118,379.94
10300 · BBVA Compass, Income -4966	991,038.83	0.00	991,038.83
10200 · BBVA Compass, Expense - 2666	0.00	132,083.17	132,083.17
10300 · BBVA Compass, Income - 2895	0.00	231,249.69	231,249.69
Total Checking/Savings	1,109,418.77	363,332.86	1,472,751.63
Accounts Receivable			
13000 · Accounts Receivable	7,110,784.91	5,340,106.96	12,450,891.87
13500 · Allowance for Doubtful Accounts	(6,207,935.06)	(3,916,359.19)	(10,124,294.25)
13600 · Accounts Receivable - Suspense	5,999.55	3,545.76	9,545.31
Total Accounts Receivable	908,849.40	1,427,293.53	2,336,142.93
Other Current Assets			
14000 · Prepaids and Other Crrt Assets			
14100 · Prepaid, Deposits	41,206.00	30,101.00	71,307.00
14200 · Prepaid, Rents	0.00	18,222.39	18,222.39
Total 14000 · Prepaids and Other Crrt Assets	41,206.00	48,323.39	89,529.39
18000 · Intercompany Accounts			
18088 · Due (To)/From EDMG	(48,055.29)	0.00	(48,055.29)
18084 · Due (To)/From EDMG	0.00	(287,893.87)	(287,893.87)
Total 18000 · Intercompany Accounts	(48,055.29)	(287,893.87)	(335,949.16)
Total Other Current Assets	(6,849.29)	(239,570.48)	(246,419.77)
Total Current Assets	2,011,418.88	1,551,055.91	3,562,474.79
Fixed Assets			
15000 · Property, Plant and Equipment			
15300 · PPE, Furniture and Fixtures	105,375.47	117,321.24	222,696.71
15500 · PPE, Leasehold Improvements	2,317,338.74	2,585,828.50	4,903,167.24
15600 · PPE, Machinery and Equipment	503,567.10	532,975.53	1,036,542.63
Total 15000 · Property, Plant and Equipment	2,926,281.31	3,236,125.27	6,162,406.58
16000 · Depreciation and (Accum Depr)	(213,625.36)	(273,829.00)	(487,454.36)
Total Fixed Assets	2,712,655.95	2,962,296.27	5,674,952.22
TOTAL ASSETS	4,724,074.83	4,513,352.18	9,237,427.01

Combined Balance Sheet

As of September 30, 2016

	EEC	ZEC	TOTAL
LIABILITIES & EQUITY			
Liabilities			
Current Liabilities			
Accounts Payable			
20000 · Accounts Payable	61,773.18	54,288.93	116,062.11
Total Accounts Payable	61,773.18	54,288.93	116,062.11
Other Current Liabilities			
21000 · Accrued Payroll	37,584.00	43,435.00	81,019.00
22000 · ACCRUED TAX			
22100 · Accrued Franchise Tax	48,910.00	29,230.00	78,140.00
Total 22000 · ACCRUED TAX	48,910.00	29,230.00	78,140.00
23000 · Accrued Expenses	72,088.00	63,860.00	135,948.00
Total Other Current Liabilities	158,582.00	136,525.00	295,107.00
Total Current Liabilities	220,355.18	190,813.93	411,169.11
Long Term Liabilities			
27200 · Note Payable, Key Bank	2,616,693.52	2,884,525.02	5,501,218.54
Total Long Term Liabilities	2,616,693.52	2,884,525.02	5,501,218.54
Total Liabilities	2,837,048.70	3,075,338.95	5,912,387.65

Combined Balance Sheet

As of September 30, 2016

	EEC	ZEC	TOTAL
Equity			
33000 · Members Capital			
33001 · Dharmesh Patel	5,123.75	5,123.75	10,247.50
33002 · Cyril Gillman	5,123.75	5,123.75	10,247.50
33003 · Andy Chen	5,123.75	5,123.75	10,247.50
33004 · Setul Patel	5,123.75	5,123.75	10,247.50
33006 · Paul Alleyne	5,123.75	5,123.75	10,247.50
33007 · Hitesh Patel	5,123.75	5,123.75	10,247.50
33008 · Michael Chang	5,123.75	5,123.75	10,247.50
33009 · QSH Family LP	5,123.75	5,123.75	10,247.50
33098 · Infinity Emergency Group LLC	500,000.00	0.00	500,000.00
34000 · Neighbors GP LLC	10.00	0.00	10.00
33098 · Infinity Emergency Management	0.00	500,000.00	500,000.00
34000 · Neighbors GP	0.00	10.00	10.00
33000 · Members Capital - Other	(1,000.00)	(1,000.00)	(2,000.00)
Total 33000 · Members Capital	540,000.00	540,000.00	1,080,000.00
36000 · Distributions			
36001 · Dharmesh Patel	(38,173.12)	(39,473.83)	(77,646.95)
36002 · Cyril Gillman	(38,173.12)	(39,473.83)	(77,646.95)
36003 · Andy Chen	(38,173.12)	(39,473.83)	(77,646.95)
36004 · Setul Patel	(38,173.12)	(39,473.83)	(77,646.95)
36006 · Paul Alleyne	(38,173.12)	(39,473.83)	(77,646.95)
36007 · Hitesh Patel	(38,173.12)	(39,473.83)	(77,646.95)
36008 · Michael Chang	(38,173.12)	(39,473.83)	(77,646.95)
36009 · QSH Family LP	(38,173.12)	(39,473.83)	(77,646.95)
36049 · Infinity Emergency Group LLC	(583,824.15)	0.00	(583,824.15)
37000 · Neighbors GP LLC	(8,981.91)	(9,287.96)	(18,269.87)
36049 · Infinity Emergency Management	0.00	(603,717.40)	(603,717.40)
Total 36000 · Distributions	(898,191.02)	(928,796.00)	(1,826,987.02)
39000 · Retained Earnings	199,215.31	582,015.27	781,230.58
Net Income	2,046,001.84	1,244,793.96	3,290,795.80
Total Equity	1,887,026.13	1,438,013.23	3,325,039.36
TOTAL LIABILITIES & EQUITY	4,724,074.83	4,513,352.18	9,237,427.01

Combined Profit And Loss

July through September 2016

	EEC	ZEC	TOTAL
Ordinary Income/Expense			
Income			
40000 · Net Patient Service Revenue			
40200 · Gross Facility Billings	4,332,057.23	3,194,558.94	7,526,616.17
40400 · Adjustments	(203,733.68)	(130,097.89)	(333,831.57)
40500 · Provision for Bad Debt	(2,411,838.45)	(1,369,149.03)	(3,780,987.48)
Total 40000 · Net Patient Service Revenue	1,716,485.10	1,695,312.02	3,411,797.12
Total Income	1,716,485.10	1,695,312.02	3,411,797.12
Gross Profit	1,716,485.10	1,695,312.02	3,411,797.12
Expense			
60000 · OVERHEAD ALLOCATION			
60100 · Administration Payroll			
Total 60000 · OVERHEAD ALLOCATION	273,343.49	273,343.49	546,686.98
65000 · OPERATING EXPENSE			
65100 · Advertising Expense	119,630.03	118,094.40	237,724.43
65300 · Auto Expense	173.08	148.75	321.83
65500 · Bank Charges	6,782.57	7,111.61	13,894.18
65600 · Billing/Coding Expense	77,700.87	65,261.96	142,962.83
65800 · Computer Expenses	14,315.03	9,393.67	23,708.70
65900 · Contract Labor	850.00	850.00	1,700.00
66000 · Dues and Subscriptions	0.00	5,141.91	5,141.91
66400 · Insurance Expense	54,463.36	32,007.37	86,470.73
66600 · Janitorial Expense	14,933.77	12,998.93	27,932.70
66700 · Laboratory Fees	7,544.08	14,771.64	22,315.72
66800 · Linen Expense	7,552.25	5,917.90	13,470.15
66900 · Maintenance Expense	12,247.02	10,252.26	22,499.28
67050 · Manager Payroll	11,114.74	11,114.77	22,229.51
67100 · Meals for Employer Convenience	12,363.26	12,700.84	25,064.10
67300 · Payroll Expense	302,632.50	261,814.34	564,446.84
67400 · Radiology Expense	17,003.00	13,914.65	30,917.65
67450 · Subsidy Expense	182,710.51	267,528.02	450,238.53
67500 · Supplies Expense	58,274.36	34,317.42	92,591.78
67800 · Travel, Meals	0.00	36.16	36.16
67900 · Travel, Transportation	0.00	207.94	207.94
Total 65000 · OPERATING EXPENSE	900,290.43	883,584.54	1,783,874.97

Combined Profit And Loss

July through September 2016

	EEC	ZEC	TOTAL
70000 · ADMINISTRATION EXPENSE			
70200 · Depreciation Expense	78,133.38	87,415.38	165,548.76
70300 · Equipment Lease Fees	34,212.10	25,105.95	59,318.05
70400 · Facility Lease Fee	124,120.11	103,846.08	227,966.19
70500 · Interest Expense	38,611.81	41,379.81	79,991.62
70700 · Office Expense	6,390.48	8,769.63	15,160.11
70800 · Payroll Fees	3,123.58	3,031.32	6,154.90
71100 · Security Expense	35,792.74	34,029.74	69,822.48
71200 · Telephone Expense	2,325.08	4,194.90	6,519.98
71300 · Utility Expense	7,374.63	10,759.68	18,134.31
Total 70000 · ADMINISTRATION EXPENSE	330,083.91	318,532.49	648,616.40
Total Expense	1,503,717.83	1,475,460.52	2,979,178.35
Net Ordinary Income	212,767.27	219,851.50	432,618.77
Other Income/Expense			
Other Income			
90000 · OTHER INCOME			
90100 · Gain/Loss on Sale of Assets	1,239.24	1,239.24	2,478.48
Total 90000 · OTHER INCOME	1,239.24	1,239.24	2,478.48
Total Other Income	1,239.24	1,239.24	2,478.48
Other Expense			
80000 · TAXES			
80100 · Franchise Tax	29,346.00	17,538.00	46,884.00
80200 · Property Tax	0.00	0.00	0.00
Total 80000 · TAXES	29,346.00	17,538.00	46,884.00
Total Other Expense	29,346.00	17,538.00	46,884.00
Net Other Income	(28,106.76)	(16,298.76)	(44,405.52)
Net Income	184,660.51	203,552.74	388,213.25

Combined Profit And Loss

January through September 2016

	EEC	ZEC	TOTAL YTD
Ordinary Income/Expense			
Income			
40000 · Net Patient Service Revenue			
40200 · Gross Facility Billings	15,661,580.65	12,177,095.06	27,838,675.71
40400 · Adjustments	(499,856.72)	(426,021.67)	(925,878.39)
40500 · Provision for Bad Debt	(8,514,156.16)	(6,157,148.94)	(14,671,305.10)
Total 40000 · Net Patient Service Revenue	6,647,567.77	5,593,924.45	12,241,492.22
Total Income	6,647,567.77	5,593,924.45	12,241,492.22
Gross Profit	6,647,567.77	5,593,924.45	12,241,492.22
Expense			
60000 · OVERHEAD ALLOCATION			
Total 60000 · OVERHEAD ALLOCATION	977,015.62	977,017.57	1,954,033.19
65000 · OPERATING EXPENSE			
65100 · Advertising Expense	315,367.52	331,170.10	646,537.62
65300 · Auto Expense	173.08	148.75	321.83
65500 · Bank Charges	23,810.73	24,615.79	48,426.52
65600 · Billing/Coding Expense	272,503.43	229,488.59	501,992.02
65800 · Computer Expenses	25,844.97	15,766.01	41,610.98
65900 · Contract Labor	5,950.00	5,950.00	11,900.00
66000 · Dues and Subscriptions	9,238.42	30,475.79	39,714.21
66400 · Insurance Expense	161,965.00	70,178.31	232,143.31
66600 · Janitorial Expense	47,245.15	38,067.62	85,312.77
66700 · Laboratory Fees	42,362.22	39,993.51	82,355.73
66800 · Linen Expense	20,516.95	23,460.00	43,976.95
66900 · Maintenance Expense	27,118.10	22,059.09	49,177.19
67050 · Manager Payroll	11,114.74	11,114.77	22,229.51
67100 · Meals for Employer Convenience	39,255.51	36,954.06	76,209.57
67300 · Payroll Expense	904,828.46	709,230.21	1,614,058.67
67400 · Radiology Expense	57,295.50	75,017.44	132,312.94
67450 · Subsidy Expense	336,923.75	461,191.61	798,115.36
67500 · Supplies Expense	177,108.96	146,704.82	323,813.78
67700 · Travel, Hotel	57.29	57.29	114.58
67800 · Travel, Meals	0.00	36.16	36.16
67900 · Travel, Transportation	0.00	207.94	207.94
Total 65000 · OPERATING EXPENSE	2,478,679.78	2,271,887.86	4,750,567.64

Combined Profit And Loss

January through September 2016

	EEC	ZEC	TOTAL YTD
70000 · ADMINISTRATION EXPENSE			
70200 · Depreciation Expense	201,229.38	236,947.38	438,176.76
70300 · Equipment Lease Fees	135,695.08	83,608.25	219,303.33
70400 · Facility Lease Fee	372,891.70	290,326.08	663,217.78
70500 · Interest Expense	198,837.08	213,088.08	411,925.16
70700 · Office Expense	23,056.71	30,645.98	53,702.69
70800 · Payroll Fees	8,298.44	8,415.74	16,714.18
71000 · Professional Fees	231.00	126.00	357.00
71100 · Security Expense	116,158.92	114,800.52	230,959.44
71200 · Telephone Expense	6,983.32	12,203.45	19,186.77
71300 · Utility Expense	30,925.58	36,612.73	67,538.31
Total 70000 · ADMINISTRATION EXPENSE	1,094,307.21	1,026,774.21	2,121,081.42
Total Expense	4,550,002.61	4,275,679.64	8,825,682.25
Net Ordinary Income	2,097,565.16	1,318,244.81	3,415,809.97
Other Income/Expense			
Other Income			
90000 · OTHER INCOME			
90100 · Gain/Loss on Sale of Assets	3,867.95	3,867.98	7,735.93
Total 90000 · OTHER INCOME	3,867.95	3,867.98	7,735.93
Total Other Income	3,867.95	3,867.98	7,735.93
Other Expense			
80000 · TAXES			
80100 · Franchise Tax	55,431.27	44,818.81	100,250.08
80200 · Property Tax	0.00	32,500.02	32,500.02
Total 80000 · TAXES	55,431.27	77,318.83	132,750.10
Total Other Expense	55,431.27	77,318.83	132,750.10
Net Other Income	(51,563.32)	(73,450.85)	(125,014.17)
Net Income	2,046,001.84	1,244,793.96	3,290,795.80

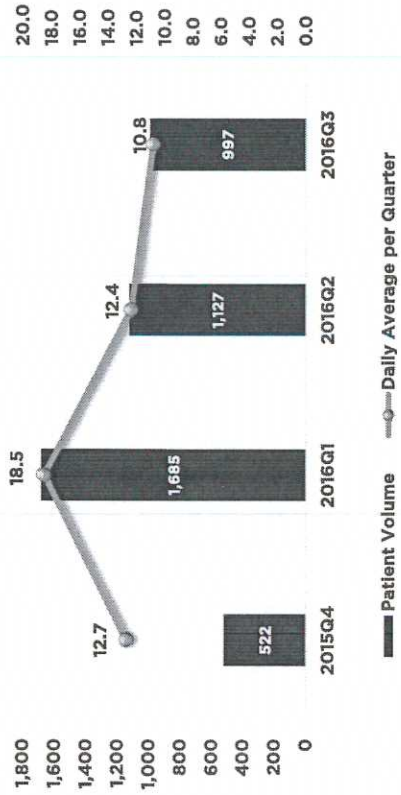
East Side & Zaragoza Financial Statements

Combined Statement Of Cash Flow

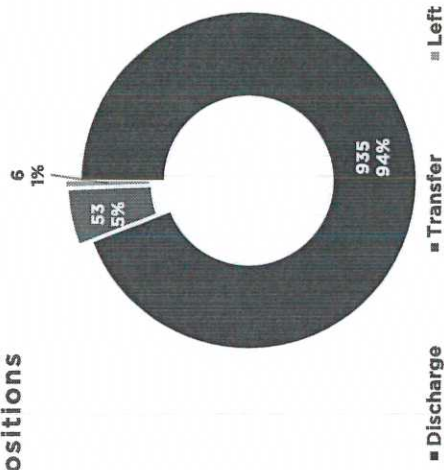
July through September 2016

	EEC	ZEC	TOTAL
OPERATING ACTIVITIES			
Net Income	184,660.51	203,552.74	388,213.25
Adjustments to reconcile Net Income to net cash provided by operations:			
13000 · Accounts Receivable	75,015.77	904,700.43	979,716.20
13500 · Allowance for Doubtful Accounts	207,285.80	(1,088,996.04)	(881,710.24)
13600 · Accounts Receivable - Suspense	(12,239.55)	6,114.56	(6,124.99)
14000 · Prepaids and Other Crrt Assets:14200 · Prepaid, Rents	0.00	51,609.61	51,609.61
18000 · Intercompany Accounts:18088 · Due (To)/From EDMG	(89,109.02)	0.00	(89,109.02)
20000 · Accounts Payable	(17,181.95)	(1,872.08)	(19,054.03)
21000 · Accrued Payroll	23,215.00	27,638.00	50,853.00
22000 · ACCRUED TAX:22100 · Accrued Franchise Tax	29,346.00	17,538.00	46,884.00
23000 · Accrued Expenses	(19,780.00)	(14,536.00)	(34,316.00)
18000 · Intercompany Accounts:18084 · Due (To)/From EDMG	0.00	(327,257.31)	(327,257.31)
Net cash provided by Operating Activities	381,212.56	(221,508.09)	159,704.47
INVESTING ACTIVITIES			
15000 · Property, Plant and Equipment:15500 · PPE, Leasehold Improvements	(6,850.00)	(5,480.00)	(12,330.00)
15000 · Property, Plant and Equipment:15600 · PPE, Machinery and Equipment	0.00	45,000.00	45,000.00
16000 · Depreciation and (Accum Depr)	66,813.00	76,095.00	142,908.00
Net cash provided by Investing Activities	59,963.00	115,615.00	175,578.00
FINANCING ACTIVITIES			
27200 · Note Payable, Key Bank	(16,667.00)	(18,373.00)	(35,040.00)
36000 · Distributions:36001 · Dharmesh Patel	(32,552.15)	(28,030.92)	(60,583.07)
36000 · Distributions:36002 · Cyril Gillman	(32,552.15)	(28,030.92)	(60,583.07)
36000 · Distributions:36003 · Andy Chen	(32,552.15)	(28,030.92)	(60,583.07)
36000 · Distributions:36004 · Setul Patel	(32,552.15)	(28,030.92)	(60,583.07)
36000 · Distributions:36006 · Paul Alleyne	(32,552.15)	(28,030.92)	(60,583.07)
36000 · Distributions:36007 · Hitesh Patel	(32,552.15)	(28,030.92)	(60,583.07)
36000 · Distributions:36008 · Michael Chang	(32,552.15)	(28,030.92)	(60,583.07)
36000 · Distributions:36009 · QSH Family LP	(32,552.15)	(28,030.92)	(60,583.07)
36000 · Distributions:36049 · Infinity Emergency Group LLC	(497,856.45)	0.00	(497,856.45)
36000 · Distributions:37000 · Neighbors GP LLC	(8,981.91)	(9,287.96)	(18,269.87)
36000 · Distributions:36049 · Infinity Emergency Management	0.00	(428,708.15)	(428,708.15)
Net cash provided by Financing Activities	(783,922.56)	(680,616.47)	(1,464,539.03)
Net cash increase for period	(342,747.00)	(786,509.56)	(1,129,256.56)
Cash at beginning of period	1,452,165.77	1,149,842.42	2,602,008.19
Cash at end of period	1,109,418.77	363,332.86	1,472,751.63

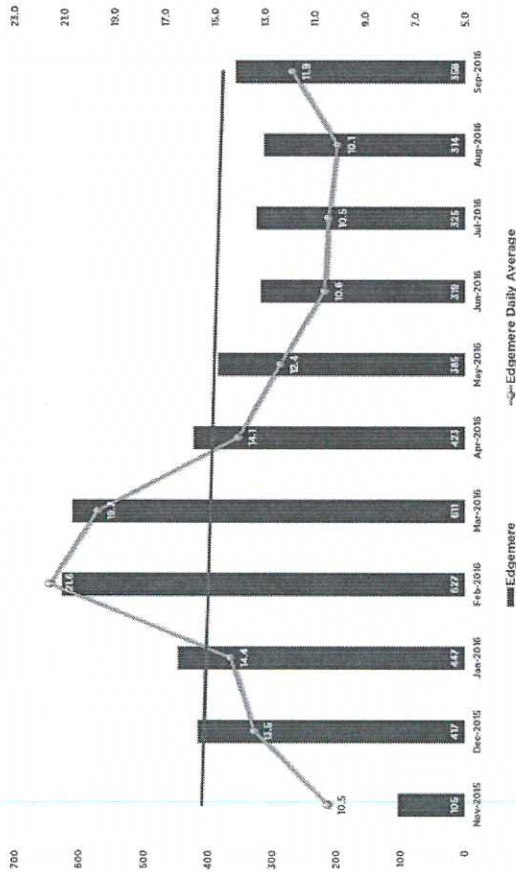
Edgemere Quarterly Patient Volume and Daily Average



Edgemere Dispositions



Edgemere Monthly Patient Volume and Daily Average
Monthly Average for 11 Months= 39.4



Edgemere ESI Levels

